

STATEMENT OF PROCEEDINGS  
COUNTY OF SAN DIEGO SUCCESSOR AGENCY TO  
COUNTY OF SAN DIEGO REDEVELOPMENT AGENCY  
REGULAR MEETING  
MEETING AGENDA  
**TUESDAY, SEPTEMBER 16, 2014, 09:00 A.M.**  
BOARD OF SUPERVISORS NORTH CHAMBER  
1600 PACIFIC HIGHWAY, ROOM 310, SAN DIEGO, CALIFORNIA

MORNING SESSION: Meeting was called to order at 9:01 a.m.

PRESENT: Directors Dianne Jacob, Chairwoman; Bill Horn, Vice Chairman; Greg Cox; Dave Roberts; Ron Roberts; also Thomas J. Pastuszka, Clerk.

Approval of Statement of Proceedings/Minutes for the meeting of August 5, 2014.

**ACTION:**

ON MOTION of Director Cox, seconded by Director R. Roberts, the Board of Directors of the County of San Diego Successor Agency to the San Diego County Redevelopment Agency approved the Statement of Proceedings/Minutes for the meeting of August 5, 2014.

AYES: Cox, Jacob, D. Roberts, R. Roberts, Horn

Public Communication: [No Speakers]

**NOTICE:** THE BOARD OF SUPERVISORS MAY TAKE ANY ACTION WITH RESPECT TO THE ITEMS INCLUDED ON THIS AGENDA. RECOMMENDATIONS MADE BY COUNTY STAFF DO NOT LIMIT ACTIONS THAT THE BOARD OF SUPERVISORS MAY TAKE. MEMBERS OF THE PUBLIC SHOULD NOT RELY UPON THE RECOMMENDATIONS IN THE BOARD LETTER AS DETERMINATIVE OF THE ACTION THE BOARD OF SUPERVISORS MAY TAKE ON A PARTICULAR MATTER.

Supporting documentation and attachments for items listed on this agenda can be viewed online at <http://www.sdcountry.ca.gov/cob/bosa/> or in the Office of the Clerk of the Board of Supervisors at the County Administration Center, 1600 Pacific Highway, Room 402, San Diego, CA 92101.

**Redevelopment Successor Agency Agenda Items**

**Agenda #    Subject**

1.        APPROVE THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JANUARY - JUNE 2015 (ROPS 14-15B) AND ADMINISTRATIVE BUDGET [FUNDING SOURCE(S): PROPERTY TAX INCREMENT DISTRIBUTED FROM THE REDEVELOPMENT PROPERTY TAX TRUST FUND]

2. APPLICATION TO COUNTY OVERSIGHT BOARD TO REINSTATE LOAN FROM COUNTY GENERAL FUND TO REDEVELOPMENT AGENCY OF THE COUNTY OF SAN DIEGO REGARDING UPPER SAN DIEGO RIVER IMPROVEMENT PROJECT AND APPROVE THE REINSTATED LOAN AGREEMENT BETWEEN THE COUNTY AND THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE COUNTY OF SAN DIEGO
3. APPLICATION TO COUNTY OVERSIGHT BOARD TO REINSTATE LOAN FROM COUNTY AIRPORT ENTERPRISE FUND TO REDEVELOPMENT AGENCY OF THE COUNTY OF SAN DIEGO REGARDING GILLESPIE FIELD REDEVELOPMENT PROJECT AND APPROVE THE REINSTATED LOAN AGREEMENT BETWEEN THE COUNTY AND THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE COUNTY OF SAN DIEGO

**SR1. SUBJECT: APPROVE THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE FOR JANUARY - JUNE 2015 (ROPS 14-15B) AND ADMINISTRATIVE BUDGET (DISTRICTS: ALL)**

**OVERVIEW:**

On January 24, 2012 (14), the County of San Diego was designated as the Successor Agency to oversee the wind-down of the former redevelopment agency's operations following the steps established by AB 1X26, the Dissolution Act, which include preserving assets, fulfilling legally binding commitments, overseeing the termination of activities, and returning resources expeditiously to the affected taxing entities. The Redevelopment Agency of the County of San Diego was dissolved on February 1, 2012.

The Recognized Obligation Payment Schedule (ROPS), prepared semiannually, is the report that authorizes the amount of former redevelopment agency property tax increment to be allocated to the successor agency for payment of enforceable obligations. The County Successor Agency is required to submit the ROPS and the administrative budget semiannually to the County Oversight Board.

Approval of the ROPS for January-June 2015 (ROPS 14-15B) and the related administrative budget for the same period is requested. Total enforceable obligations of \$679,291 are eligible to be funded, including an administrative budget of \$75,000. If approved, both items will be presented to the County Oversight Board on September 24, 2014 for approval and subsequent transmission to the State Department of Finance (DOF) before the deadline of October 3, 2014.

The ROPS 14-15B, as with all ROPS, may be changed by the County Oversight Board or the Department of Finance.

**FISCAL IMPACT:**

The payments shown on the Recognized Obligation Payment Schedule for January-June 2015, including the administrative budget, are included in the Fiscal Year 2014-15 Adopted Operational Plan for the Successor Agency. The source of funding is property tax increment distributed from the Redevelopment Property Tax Trust Fund.

**BUSINESS IMPACT STATEMENT:**

N/A

**RECOMMENDATION:**

**CHIEF ADMINISTRATIVE OFFICER**

1. Approve the Recognized Obligation Payment Schedule for January - June 2015 (ROPS 14-15B).
2. Approve the six-month administrative budget for January - June 2015.

**ACTION:**

ON MOTION of Director Cox, seconded by Director R. Roberts, the Board of Directors of the County of San Diego Successor Agency to the San Diego County Redevelopment Agency took action as recommended, on Consent.

AYES: Cox, Jacob, D. Roberts, R. Roberts, Horn

**SR2. SUBJECT: APPLICATION TO COUNTY OVERSIGHT BOARD TO REINSTATE LOAN FROM COUNTY GENERAL FUND TO REDEVELOPMENT AGENCY OF THE COUNTY OF SAN DIEGO REGARDING UPPER SAN DIEGO RIVER IMPROVEMENT PROJECT AND APPROVE THE REINSTATED LOAN AGREEMENT BETWEEN THE COUNTY AND THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE COUNTY OF SAN DIEGO (DISTRICTS: ALL)**

**OVERVIEW:**

The Redevelopment Agency of the County of San Diego (Redevelopment Agency) was formed on October 14, 1974 (5 and 6), by County Ordinance 4393. The Upper San Diego River Improvement Project (USDRIP) area is one of the Redevelopment Agency's two redevelopment project areas. The Redevelopment Plan for the USDRIP area was adopted by the Board of Supervisors on July 18, 1989 (61). The USDRIP was formed as a result of efforts in the late 1970s and early 1980s to study and manage 592 acres located on both sides of the San Diego River in the Lakeside area. The USDRIP Redevelopment Plan (Redevelopment Plan) established a process for facilitating the redevelopment and revitalization of the area while providing for flood control and habitat restoration. The USDRIP was funded initially by loans from the County of San Diego General Fund.

On December 1, 1987 (10 and 11), the Board of Supervisors adopted a Resolution establishing an Administrative Fund and stipulates in section three of the Resolution that any moneys paid to and on behalf of the Agency by the County shall constitute a loan by the County to the Agency. Further, terms and conditions for amounts loaned to the Redevelopment Agency to finance redevelopment activities in the USDRIP area are specified. The Redevelopment Agency borrowed a total principal amount of \$688,780 from the General Fund between Fiscal Year 1987-88 and Fiscal Year 1993-94. As of January 31, 2012, the Redevelopment Agency has made principal repayments of \$100,000. The current outstanding principal balance owed by the Redevelopment Agency to the General Fund is \$588,780.

The Successor Agency to the Redevelopment Agency of the County of San Diego (Successor Agency) was established on January 24, 2012 (14) and the Redevelopment Agency was dissolved on February 1, 2012 pursuant to AB 1X 26, the Dissolution Act. Loan agreements by and between the County of San Diego and the Redevelopment Agency became invalid and non-binding pursuant to this

legislation. According to AB 1X 26, the General Fund loan to the Redevelopment Agency was not recognized as an enforceable obligation, and therefore, repayment of the outstanding loan amount to the General Fund was not permitted. However, under subsequent “clean-up” legislation (AB 1484), loans between the former Redevelopment Agency and the County may be re-established and deemed to be an enforceable obligation upon issuance of a “Finding of Completion” by the California Department of Finance (DOF) and a finding that the loan was for legitimate redevelopment purposes by the County Oversight Board (Oversight Board). The DOF issued its Finding of Completion on May 10, 2013.

This is a request to direct staff to apply to the Oversight Board pursuant to Health and Safety Code Section 34191.4(b)(1) to reinstate the loan that the County made from the General Fund to the Redevelopment Agency and to approve the reinstated loan agreement between the County and the Successor Agency.

This is a similar request to the item also being considered today regarding the Gillespie Field Redevelopment Project Area, the process and procedures for consideration of the loan reinstatement are the same, but the loan amounts and the projects are different.

**FISCAL IMPACT:**

Reinstatement of the loan from the County General Fund to the Redevelopment Agency will result in a new enforceable obligation for the Successor Agency. Repayments will be made by distributions from the Redevelopment Property Tax Trust Fund (RPTTF) to the County General Fund. The amount of each repayment will be subject to availability of funding in the RPTTF and the other requirements of AB 1484 and other applicable law.

**BUSINESS IMPACT STATEMENT:**

N/A

**RECOMMENDATION:**

**CHIEF ADMINISTRATIVE OFFICER**

1. Direct the Successor Agency staff to apply to the Oversight Board pursuant to Health and Safety Code Section 34191.4(b)(1) to reinstate the loan that was made from the General Fund to the Redevelopment Agency.
2. Approve the Reinstated Loan Agreement between the County of San Diego and the Successor Agency to the Redevelopment Agency of the County of San Diego regarding the loans from the County's General Fund and, if approved by the Oversight Board, authorize the Secretary for the Successor Agency to execute the agreement.

**ACTION:**

ON MOTION of Director Cox, seconded by Director R. Roberts, the Board of Directors of the County of San Diego Successor Agency to the San Diego County Redevelopment Agency took action as recommended, on Consent.

AYES: Cox, Jacob, D. Roberts, R. Roberts, Horn

**SR3. SUBJECT: APPLICATION TO COUNTY OVERSIGHT BOARD TO REINSTATE LOAN FROM COUNTY AIRPORT ENTERPRISE FUND TO REDEVELOPMENT AGENCY OF THE COUNTY OF SAN DIEGO REGARDING GILLESPIE FIELD REDEVELOPMENT PROJECT AND APPROVE THE REINSTATED LOAN AGREEMENT BETWEEN THE COUNTY AND THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY OF THE COUNTY OF SAN DIEGO (DISTRICTS: ALL)**

**OVERVIEW:**

The Redevelopment Agency of the County of San Diego (Redevelopment Agency) was formed on October 14, 1974 (5 and 6), by County Ordinance 4393. The Gillespie Field Redevelopment Project Area (Project Area) was one of the Redevelopment Agency's two redevelopment project areas. The Redevelopment Plan for the Project Area was adopted on July 7, 1987 (53), by County Ordinance No. 7339 and by El Cajon City Council on July 14, 1987, by Ordinance No. 4036. The Project Area is a contiguous area of about 746 acres located at Gillespie Field Airport. The Project Area was established with the goal of alleviating blight, deterioration and stagnation of the Project Area attributable primarily to inadequate public improvements. The Project Area was funded initially by loans from the Airport Enterprise Fund (AEF).

On December 1, 1987 (11 thru 13), the Board of Supervisors and the Redevelopment Agency approved an agreement between the County of San Diego and the Redevelopment Agency establishing terms and conditions of amounts loaned by the AEF to the Redevelopment Agency to finance redevelopment activities in the Project Area. The Redevelopment Agency borrowed a total principal amount of \$9,636,875 from the AEF between Fiscal Year 1987-88 and Fiscal Year 2000-01. As of January 31, 2012, the Redevelopment Agency has made principal repayments of \$6,273,672. The current outstanding principal balance owed by the Redevelopment Agency to the AEF is \$3,363,203.

The Successor Agency to the Redevelopment Agency of the County of San Diego (Successor Agency) was established on January 24, 2012 (14) and the Redevelopment Agency was dissolved on February 1, 2012 pursuant to AB 1X 26, the Dissolution Act. Loan agreements by and between the County of San Diego and the Redevelopment Agency became invalid and non-binding pursuant to this legislation. According to AB 1X 26, the AEF loan to the Redevelopment Agency was not recognized as an enforceable obligation, and, therefore, repayment of the outstanding loan amount to the AEF was not permitted. However, under subsequent "clean-up" legislation (AB 1484), loans between the former Redevelopment Agency and the AEF may be re-established and deemed to be an enforceable obligation upon issuance of a "Finding of Completion" by the California Department of Finance (DOF) and a finding that the loan was for legitimate redevelopment purposes by the County Oversight Board (Oversight Board). The DOF issued its Finding of Completion on May 10, 2013.

This is a request to direct staff to apply to the Oversight Board pursuant to Health and Safety Code Section 34191.4(b)(1) to reinstate the loan that the County made from the AEF to the Redevelopment Agency and to approve the reinstated loan agreement between the County and Successor Agency.

This is a similar request to the item also being considered today regarding the Upper San Diego River Improvement Project, the process and procedures for consideration of the loan reinstatement are the same, but the loan amounts and the projects are different.

**FISCAL IMPACT:**

Reinstatement of the loan from the County AEF to the Redevelopment Agency will result in a new enforceable obligation for the Successor Agency. Repayments will be made by distributions from the Redevelopment Property Tax Trust Fund (RPTTF) to the AEF. The amount of each repayment will be subject to availability of funding in the RPTTF and the other requirements of AB 1484 and other applicable law.

**BUSINESS IMPACT STATEMENT:**

N/A

**RECOMMENDATION:**

**CHIEF ADMINISTRATIVE OFFICER**

1. Direct the Successor Agency staff to apply to the Oversight Board pursuant to Health and Safety Code Section 34191.4(b)(1) to reinstate the loan that was made from the AEF to the Redevelopment Agency.
2. Approve the Reinstated Loan Agreement Between the County of San Diego and the Successor Agency to the Redevelopment Agency of the County of San Diego Regarding the Loan from the County's Airport Enterprise Fund and, if approved by the Oversight Board, authorize the Secretary for the Successor Agency to execute the agreement.

**ACTION:**

ON MOTION of Director Jacob, seconded by Director R. Roberts, the Board of Directors of the County of San Diego Successor Agency to the San Diego County Redevelopment Agency took action as recommended.

AYES: Cox, Jacob, D. Roberts, R. Roberts, Horn

There being no further business, the Board adjourned at 12:05 p.m.

THOMAS J. PASTUSZKA  
Clerk of the Board of Supervisors  
County of San Diego Successor Agency  
to the San Diego County Redevelopment Agency

Notes by: Gomez

NOTE: This Statement of Proceedings sets forth all actions taken by the San Diego County Successor Agency to the San Diego County Redevelopment Agency on the matters stated, but not necessarily the chronological sequence in which the matters were taken up.